(d) what is the estimated quantum of loans being availed annually by the Indian farmers from private money lenders; and

(e) what steps are being taken by Government to eliminate such lending?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) The advances made by the Public Sector Banks to agriculture (direct finance) during the period 1982, to 1987 and their percentage share in the total advances are indicated below:

Year	Percentage Share of direct agriculture to total advances
Dec. 1982	12.6
Dec. 1983	13 3
Dec. 1984	13.9
March 1985	14.2
March 1986	15.0
March 1987	16.2

The target for direct agricultural advances to be achieved by March, 1990 has been fixed at 18 per cent of the total advances. There is no proposal at present to increase this target. However, in order to help the farmers to cope with their drought related problems, standing guidelines have been issued to commercial banks for extending relief measures to persons affected by natural calamities such as drought, flood, etc. These guidelines *inter-alia*, envisage conversion of short-term loan into medium-term production loan, rescheduling/postponement of the existing term loan instalments and provision of need based crop/investment loans to the affected farmers by banks.

(c) As per information received from Reserve Bank of India (RBI) percentage of public sector banks direct lending to agriculture and allied activities to value of gross output from agriculture (including livestock) for the year 1985-86, 1986-87 and 1987-88 was 2.9, 3.3 and 3.1 respectively

(d) The present data reporting system does not generate the information in the manner asked for. However, as per report of All India Debt and Investment Survey, 1981-82 of RBI, on an average the share of borrowing of the Indian cultivator household per family from moneylenders and tarde in 1981-82 was 23 per cent.

(e) Promotion and strengthening of *institutional lending agencies such* as Co-operatives, Commercial Banks and RRBs in rural areas continues to be main thrust in further reducing the role of money-lenders. Among many steps taken in this regard, mention may be made of the service area approach under which a bank branch is allotted a compact area to meet the credit requirements of the population in that area. In addition, consumption loans are also being provided by the banking system to meet the genuine requirements of small borrowers.

Building of roads and bridges by a subsidiary of a Public Sector Bank

2620. DR. YELAMANCHILI SIVAJI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a public sector bank has recently started a subsidiary to undertake building of major public works, such as roads and bridges; if so, what are the objectives of the company;

(b) whether all public sector banks will have such subsidiaries in the near future; and

(c) what are the details of the road building schemes that are going to be taken up by the subsidiary in operation and what are the details of such

schemes that are going to be taken up by it in Andhra Pradesh?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (c) Under Section 19 of the Banking Regulation Act, 1949, commercial banks can form subsidiary companies for undertaking business which is permissible under the Banking Regulation Act or any business which the Reserve Bank of India may with the prior approval of Central Government consider to be conducive to the spread of banking in India or to be otherwise useful or necessary in public interest. Reserve Bank of India has reported that it has permitted certain banks to float subsidiaries to undertake merchant banking, leasing, housing finance, stock holding and other related activities. The Reserve Bank of India has further reported that it has not permitted any public sector bank to set up subsidiaries for the purpose of undertaking building of major public works such as roads and bridges nor is there any proposal before the Reserve Bank of India to accord such permission to any bank.

The Central Bank of India has, jointly with Unit Trust of India and Housing Development Finance Corporation (HDFC), set up a subsidiary company *viz.*, the Infrastructure Leasing and Financial Services Limited (ILFS). According to the Memorandum and Articles of Association of the company, the company can do leasing against projects such as tollroads, bridges, water cleaning system etc. The Central Bank of India has reported that the ILFS has entered into a contract with the Madhya Pradesh Government to provide finance for the construction of a road being executed by the Madhya Pradesh Government. The bank has further reported that the company has not received any such proposal from the Government of Andhra Pradesh.

Shortage of pig iron and tin in the country

2621. SHRI PASUMPON THA. KIRUTTINAN: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that there is shortage of pig iron and tin in the country and the prices are higher in relation to international market;

(b) if so what are the reasons therefor;

(c) what is the total availability and requirement of pig iron and tin in the country; and

(d) what action has been taken or is proposed to be taken by Government to meet the situation?

THE MINISTER OF ENERGY WITH ADDITIONAL CHARGE OF THE MINISTRY OF CIVIL AVIATION (SHRI ARIF MOHD. KHAN): (a) to (d)

Pig Iron:

Total demand and availability for foundry grade pig iron as assessed by the Development Commissioner for Iron and Steel for the year 1990-91 is 18.30 lakh tonnes and 13.71 lakh tonnes, respectively.

To meet the gap, imports of foundry grade pig iron have been allowed under OGL, for actual users. Production of Pig Iron is delicensed. Pig Iron manufacturing capacities are being encouraged in the secondary sector and it is proposed to create a capacity of 2 million tones of pig iron in the secondary sector by the end of the Eighth Plan.

With 45 per cent *ad-valorem* import duty, the landed price of imported pig iron is about 20 per cent higher the SAIL stock yard price of pig iron.

Tin:

The annual requirement of tin in the country is estimated to be about